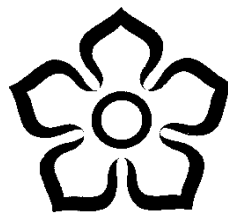


# **The Budget 2008/2009**

**Leicester City Council's Revenue Budget**



**Leicester  
City Council**

# **The Budget 2008/2009**

## **Leicester City Council's Revenue Budget**

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# Budget Book 2008/2009 - How to use this Book

## Introduction

The budgets shown within the Budget Book are split into four sections:

- (a) general fund services;
- (b) housing revenue account;
- (c) trading services;
- (d) specific programmes.

## General Fund Services

This section of the budget book shows the Council's planned expenditure on the cost of services met by council taxpayers and general Government grants.

The background to this section of the budget is found in the Council's Finance Procedure Rules, last amended by Council on 22<sup>nd</sup> November 2007. These rules place the responsibility for budgetary control with Corporate Directors. For each Department, this section of the budget book shows:

- (a) an introductory page;
- (b) a departmental budget summary;
- (c) service area budgets.

The departmental budget summaries are the key pages as far as control of the Council's budget is concerned, and show the controllable budget on service lines within each department's controllable budget. Corporate Directors are authorised to incur expenditure on service provision within these budget lines, and are empowered to transfer resources between budget lines within the limits of their discretion as delegated by Cabinet. However they remain obligated to ensure the total cost of the service does not exceed the total controllable budget.

The budget summary page also shows net recharges and capital charges in separate columns. These are used in calculating the *total cost* of services for the department.

Total Cost is used in completing statutory returns, compilation of the statutory accounts, and for comparing the costs of services with other authorities. Net recharges and capital charges are separate "budget lines" for the purposes of Finance Procedure Rules. They have no relevance as far as each Corporate Director's controllable budget is concerned.

The net recharges column shows the cost of services provided by one department to another. The control of the cost of such services is the responsibility of the Corporate Director providing the service, and the budget provision is made within the relevant controllable budget for the service.

Capital charges are charges made to services for the depreciation (or writing down) of fixed assets used in the provision of that service.

Cabinet is authorised to determine that certain controllable budget lines are demand-led for the purposes of Finance Procedure Rules. In the case of demand-led budgets, Corporate Directors are required only to make reasonable endeavours to ensure that budget provision is not overspent. The only budget line which is treated as demand-led is the net cost of housing benefit payments and council tax rebates.

The pages showing service area budgets expand upon the budget summary page. These pages are purely informative and are designed to give users of this book an indication of the cost of Council service provision at a more detailed level. They do not necessarily reflect precisely the arrangements for budgetary control within the Department in question.

### **Housing Revenue Account**

This part of the Budget Book shows the Council's expenditure on providing rented social housing within the statutory definition of the housing revenue account. The net expenditure on the housing revenue account is a controllable budget in its own right, and is ring-fenced in accordance with Part VI of the Local Government & Housing Act, 1989.

### **Trading Services**

The Council's budget has been prepared on the basis that certain areas of the Council's operations are provided under a trading arrangement. Charges are made to both general fund and housing revenue account budget lines for the cost of these services, and these charges are included within controllable budgets in earlier parts of the Budget Book.

Trading units are entitled to increase or reduce service levels to meet the needs of internal customers. This section of the book shows estimated levels of expenditure applicable to the trading units.

### **Area Based Grant**

This final section includes details relating to the Area Based Grant. This is an amalgamation of a number of Government funding streams, which have been pooled in a single Area Based Grant. This grant is not ring-fenced for any specific purpose, and the allocation of funds is made in consultation with the Leicester Partnership in order to deliver the outcomes set out in the Local Area Agreement.

## Introduction

The Council's budget is heavily influenced by the level of grant received from central Government: 2/3 of our budget is met from grants, with only 1/3 being raised from council tax locally. As a consequence of our dependence on Government grant, the annual finance settlement is of paramount importance to us.

The system for allocating Government grant is based upon a formula which assesses each authority's assumed need to spend, and compares this with the amount of council tax income which would be received if a national standard council tax was levied. The formula then calculates the amount of grant which would be required to meet the assessed level of need.

The basis for allocating Government grant changed significantly in 2006/07 with further changes in 2008/09 and because of the resulting major swings in grant entitlement up and down the country, the grant system features a guaranteed minimum "floor" grant increase (2% in the case of unitary authorities such as Leicester). However, to fund this minimum increase, every authority entitled to grant in excess of the floor has had the increase scaled back substantially (by 67% in the case of unitary authorities in 2008/09). The loss in grant due to scaling to pay for "floor" payments to other authorities is £10.2m for Leicester.

The 2008/09 settlement is the first year of a three year settlement announced for 2008/09 to 2010/11, although the second multi year grant settlement, this is the first three year settlement to complement the Government's three year published spending plans.

The Council's grant settlement for 2008/09 is £171.6m and represents an increase of 5.1% compared to the 2007/08 position (adjusted for specific grant transfers).

The table below shows the impact of the finance settlement for 2008/09 on the Council's requirement for council taxes:

### 2008/09 Finance Settlement

	£m's
Net Budget Requirement	259.1
Less: External finance:	
• Revenue Support Grant	(21.0)
• Redistributed non-domestic rates	(150.6)
To be funded locally	
Less: Surplus on council tax Collection fund	(1.4)
<b>Required from Council Tax</b>	<b>86.1</b>

### Council Tax

As shown above, the Council needs to raise £86.1m from Council Tax.

The city's share of band D council tax for 2008/09 is consequently £1,113.74, an increase of £52.53, or 4.95% on the figure for 2007/08.

The Council tax actually paid by citizens of Leicester also includes an amount for the police authority and the fire authority. The police authority budget produces a band D tax of £160.40 (a 15.4% increase) and the fire authority budget produces a band D tax of £49.83 (a 4.94% increase).

Leicester's total band D tax is therefore £1,323.97, a £76.32 (6.1%) increase on 2007/08. However, most properties in Leicester are in band A, and therefore pay £882.65, less any benefits and reliefs to which they may be entitled. The national average band D council tax for England is £1,374, an increase of 4% on 2007/08.

Further information on the Council Tax is given in the next section of this book, which

also provides summaries of the overall budget.

### **Housing Revenue Account (HRA)**

The HRA provides services to tenants of 22,408 council owned properties funded from rents, 65% of which are in the form of Housing Benefit.

Under the Government's rent restructuring rules, Leicester's rents are now set by means of a formula involving property values, numbers of bedrooms and local earnings.

# Budget Summaries

This section provides summaries of:

- The Overall Council Income & Expenditure for General Fund and traded services;
- The General Fund Budget in summary 2007/08 & 2008/09;
- An explanation of changes from 2007/08 to 2008/09;
- The General Fund Budget and Council Tax;
- Council Tax levels at each valuation band;
- The General Fund Budget, total departmental cost summary.

## Overall Income and Expenditure

The table below provides a simple breakdown of the Council's total expenditure across the General Fund and trading services.

The trading services costs are analysed across the different categories below but are shown in the General Fund summary overleaf as 'Running Costs'.

	<b>2007/2008 Budget £</b>	<b>% of Total</b>	<b>2008/2009 Budget £</b>	<b>% of Total</b>
<b>Expenditure</b>				
Employee expenses	363,802,900	50.4	388,733,000	49.9
Running expenses	339,041,600	47.0	371,249,900	47.6
Capital financing expenses	19,266,100	2.6	19,806,000	2.5
<b>Total Expenditure</b>	<b>722,110,600</b>	<b>100</b>	<b>779,788,900</b>	<b>100</b>
<b>Income</b>				
Specific Grants & Other Income	482,044,600	66.8	492,324,500	63.2
Area Based Grant	-	-	26,457,500	3.4
RSG, Council Tax & NNDR	240,066,000	33.2	259,099,000	33.2
Use of Reserves	-	-	1,907,900	0.2
<b>Total Income</b>	<b>722,110,600</b>	<b>100</b>	<b>779,788,900</b>	<b>100</b>

## The General Fund Budget in Summary 2007/08 & 2008/09

	2007/08 Direct Expenditure £000	2008/09 Direct Expenditure £000
<b>Departmental Budgets:</b>		
Adults and Housing	74,133.1	84,489.6
Chief Executive's Office	981.4	2,735.3
Children and Young People	52,876.9	56,286.3
Regeneration & Culture	60,030.1	58,456.6
Resources	27,044.3	26,501.3
<b>Departmental Totals</b>	<b>215,065.8</b>	<b>228,469.1</b>
<b>Corporate Budgets:</b>		
Capital Finance	19,266.1	19,806.0
Corporate Budgets	5,734.1	12,731.8
<b>Total Budget</b>	<b>240,066.0</b>	<b>261,006.9</b>
To / (from) reserves	-	(1,907.9)
<b>Net Budget Requirement</b>	<b>240,066.0</b>	<b>259,099.0</b>
<b>Funded from:</b>		
Revenue Support Grant	22,602.0	20,963.7
National Non Domestic Rates	134,679.7	150,592.2
Council Tax	81,281.3	86,090.1
Collection Fund Surplus	1,503.0	1,453.0
	<b>240,066.0</b>	<b>259,099.0</b>

## An Explanation of Changes from 2007/08 to 2008/09

SPENDING INCREASE	<i>£m</i>	<i>£m</i>	<i>£m</i>
<b>Net Budget 2007/08</b>			240.1
<b><i>Technical Changes :-</i></b>			
Inflation			
- Pay	4.4		
- Other	<u>(0.2)</u>	4.2	
Pensions		0.9	
Landfill Tax / Rents		0.4	
Grant Transfers		5.9	
Increase in Planned Borrowing Costs		0.4	
Energy Costs		1.0	
Capitalisation		(1.0)	
Other		<u>0.4</u>	
			12.2
<b><i>Real Changes:-</i></b>			
Budget 2006/07 - Full Year Effects		(0.4)	
Budget 2007/08 - Full Year Effects		(4.4)	
2008/09 Net Budget Growth in Departments		8.9	
Digital Media Centre		0.2	
Policy Decisions in 2007		0.4	
Business Improvement Programme		(1.3)	
Job Evaluation - additional funding		1.1	
Service Transformation Programme		2.0	
Customer Transformation Fund		0.8	
Planning Requirement (risk contingency)		1.0	
Building Schools for the Future		0.4	
			8.7
<b>Budgeted Spend 2008/09</b>			261.0
Less Contribution from Reserves			(1.9)
<b>Total Budget 2008/09</b>			<b>259.1</b>

## The General Fund Budget and Council Tax

	2008/2009 Budget £m's
<b>Base Budget</b>	<b>261.0</b>
<b>Less:</b>	
Use of Reserves	(1.9)
External Support (Revenue Support Grant and Redistributed National Non Domestic Rates)	(171.6)
<b>Amount to be met from the Collection Fund</b>	<b>87.5</b>
<b>Made up of:</b>	
Collection Fund Surplus	(1.4)
<b>Amount to be raised from Council Tax</b>	<b>86.1</b>

	2008/2009 Budget
£86.09m divided by the Taxbase of 77,298 Band D Properties	£1,113.74
<b>Add:</b>	
Police Authority element of Council Tax	£160.40
Fire Authority element of Council Tax	£49.83
<b>TOTAL COUNCIL TAX FOR BAND D</b>	<b>£1,323.97</b>

## Council Tax by Band

Band	% in Band	Ratio to Band D	City Tax £	Police Tax £	Fire Tax £	TOTAL £
<b>Properties valued at :</b>						
<b>A Less than £40,000</b>	60.55%	6/9	742.50	106.93	33.22	<b>882.65</b>
<b>B £40,000 to £52,000</b>	18.99%	7/9	866.24	124.75	38.76	<b>1,029.75</b>
<b>C £52,000 to £68,000</b>	11.79%	8/9	989.99	142.58	44.29	<b>1,176.86</b>
<b>D £68,000 to £88,000</b>	4.87%	9/9	1,113.74	160.40	49.83	<b>1,323.97</b>
<b>E £88,000 to £120,000</b>	2.26%	11/9	1,361.24	196.04	60.90	<b>1,618.18</b>
<b>F £120,000 to £160,000</b>	1.03%	13/9	1,608.74	231.69	71.97	<b>1,912.40</b>
<b>G £160,000 to £320,000</b>	0.48%	15/9	1,856.24	267.33	83.05	<b>2,206.62</b>
<b>H Over £320,000</b>	0.03%	18/9	2,227.48	320.80	99.66	<b>2,647.94</b>

## General Fund Departmental Summary 2008/2009

Department	Employee Costs £000's	Running Costs £000's	Income £000's	Controllable Expenditure £000's	Net Recharges £000's	Capital Charges £000's	Net Expenditure £000's
Adults and Housing	62,936.4	198,091.8	(176,538.6)	<b>84,489.6</b>	7,857.2	1,543.8	<b>93,890.6</b>
Chief Executive's Office	1,781.5	1,539.7	(585.9)	<b>2,735.3</b>	(985.6)	0.0	<b>1,749.7</b>
Children and Young People	223,400.6	96,747.9	(263,862.2)	<b>56,286.3</b>	6,731.7	8,119.0	<b>71,137.0</b>
Regeneration & Culture	43,051.6	55,031.1	(39,626.1)	<b>58,456.6</b>	5,642.4	5,496.4	<b>69,595.4</b>
Resources	22,298.4	20,852.0	(16,649.1)	<b>26,501.3</b>	(23,024.9)	1,481.0	<b>4,957.4</b>
Corporate Budgets	5,501.7	9,554.7	0.0	<b>15,056.4</b>	1,454.6	3,165.8	<b>19,676.8</b>
<b>TOTAL GENERAL FUND 2008/2009</b>	<b>358,970.2</b>	<b>381,817.2</b>	<b>(497,261.9)</b>	<b>243,525.5</b>	<b>(2,324.6)</b>	<b>19,806.0</b>	<b>261,006.9</b>
<b>2007/2008</b>	<b>341,336.3</b>	<b>363,991.8</b>	<b>(481,503.6)</b>	<b>223,824.5</b>	<b>(3,024.6)</b>	<b>19,266.1</b>	<b>240,066.0</b>

# Three Year Revenue Plan

The Council's revenue budget strategy is one of four resource strategies which support the Council's key policy aims and objectives. It sets out the Council's overriding financial policies within which departmental medium-term planning and the Council's annual budget setting operate. The budget strategy provides for more stability, enabling the Council to plan services with greater certainty and increase the public's understanding of the Council's plans.

The Council has had a 3-year corporate revenue budget strategy since 2000/01. The current strategy approved by Council in February 2008, runs up to 2010/11.

Within the context of greater budget stability provided by the corporate revenue

strategy, individual Departmental Revenue Strategies (DRS) have been prepared. The Departmental Revenue Strategies detail specific budget proposals to balance departmental budgets to agreed planning targets and respond to the wider objectives of the corporate strategy and hence provide the means of delivering the authority's overall financial strategy.

Departmental Revenue Strategies have provided the framework for preparing the 2008/2009 budget and to begin to shape the budget for 2009/2010 and 2010/2011.

The summary position on departmental controllable budgets contained in Departmental Revenue Strategies for 2008/2009 to 2010/2011 is outlined below.

<b>Table 1 Department</b>	<b>2008/2009 £000</b>	<b>2009/2010 £000</b>	<b>2010/2011 £000</b>
Adults & Housing	83,962.0	82,993.0	82,769.0
Children & Young People's	56,286.3	56,007.3	56,007.3
Regeneration & Culture	58,456.6	58,439.6	58,555.6
Resources	26,459.2	25,649.3	25,601.5

Note that the following departmental budgets are not included within the DRS process:

<b>Table 2 Department</b>	<b>2008/2009 £000</b>
Housing Benefit Client Payments	527.6
Resources - Investment Property	(2,746.5)
Resources - Central Maintenance Fund	5,523.9

# Adults & Housing Department

## Introduction

The Adults & Housing Department supports and delivers services with the following key aims:

- Independent Living
- Decent homes
- Safer communities

Income & expenditure on Council Housing is shown in the separate Housing Revenue Account (see blue section).

Services with expenditure met from the General Fund include the following:

## Safer and Stronger Communities

Responsible for a range of services aimed at making communities in the City safer and stronger. Services provided are for the benefit of the wider community such as Community Safety, Adult Learning and Community Services. Including targeted support through the Youth Offending Service and the Drug and Alcohol Action Team.

## Housing Renewal, Options & Development

Works with housing associations and developers to encourage the development of affordable homes, as well as assisting homeowners to maintain their properties and bring empty homes back into use. Provision of advice on applying for housing and prevention of homelessness, Sheltered Housing and Leicestercare Alarms and advice on energy efficiency for homeowners, tenants, the Council and other organisations.

## Community Care and Older People Services

Responsible for managing Community Care Statutory services for adults and older people including Mental Health Act services. Provision of specialist personal care and support services through residential, day care, domiciliary care, intermediate care, social work and occupational therapy, using it's own services and by working with the Independent and Voluntary sectors and the NHS.

## Housing Benefit and Local Taxation

Responsible for the billing and collection of Council Tax and Business Rates. It is also pays Housing and Council Tax Benefits, in addition to the detection and prevention of benefit fraud.

## Housing Accommodation & Tenancy Support

Management of a range of temporary accommodation services for individuals, couples and families and provision of housing related support to reduce homelessness and promote independence to vulnerable people.

## Directorate, Commissioning & Resources

Responsible for operational and strategic business support. This includes finance operations, business systems, property and asset management, staff development, marketing and communications, performance management, equalities, planning, service development, business support, procurement and contracting (including Supporting People). This division also provides the business link to the corporately managed Human Resources, Health & Safety and ICT functions.

## The Department Budget

The 2008/2009 Total General Fund budget for the Adults & Housing Department is £93.891m.

<b>Analysis of 2008/2009 Budget</b>	<b>£000's</b>
2007/2008 controllable Budget	73,625.8
Virements	(170.7)
Inflation	1,724.9
Full Year Effects	(39.0)
Government Grants Mainstreamed	3,727.0
Reductions	(804.0)
Service Enhancement/Growth	5,898.0
<b>Aggregate Controllable Budget</b>	<b>83,962.0</b>
Housing Benefit Payments (net)	527.6
<b>Total Direct Budget</b>	<b>84,489.6</b>
Net recharges *	7,857.2
Capital Financing charges *	1,543.8
<b>Total Department Budget</b>	<b>93,890.6</b>

\* Net Recharges and Capital charges are purely notional and have no impact upon the day-to-day control of the Department's budget.

## Adults and Housing Department : Budget Summary 2008/2009

Service Area	Employee Costs £000s	Running Costs £000s	Income £000s	Total Controllable £000s	Net Recharges £000s	Capital Charges £000s	Total Budget £000s
<b>Adult and Community Services</b>							
Older People Services	14,147.2	19,521.8	(8,726.9)	<b>24,942.1</b>	5,009.2	282.0	<b>30,233.3</b>
Community Care Services (Adults)	12,287.5	44,558.8	(17,670.8)	<b>39,175.5</b>	7,867.7	397.0	<b>47,440.2</b>
Safer and Stronger Communities	10,085.2	7,324.9	(11,841.6)	<b>5,568.5</b>	1,118.3	758.9	<b>7,445.7</b>
	<b>36,519.9</b>	<b>71,405.5</b>	<b>(38,239.3)</b>	<b>69,686.1</b>	<b>13,995.2</b>	<b>1,437.9</b>	<b>85,119.2</b>
<b>Housing Services</b>							
Private Sector Housing and Development	1,854.1	516.0	(1,280.2)	<b>1,089.9</b>	640.0	0.0	<b>1,729.9</b>
Housing Benefit and Local Taxation Administration	5,769.1	2,018.4	(4,445.5)	<b>3,342.0</b>	1,016.9	105.9	<b>4,464.8</b>
Miscellaneous Service Provisions	571.1	174.9	(468.4)	<b>277.6</b>	5.3	0.0	<b>282.9</b>
Housing Options	1,439.3	300.5	(245.3)	<b>1,494.5</b>	223.9	0.0	<b>1,718.4</b>
Hostels and Community Care	3,902.6	2,846.5	(7,042.2)	<b>(293.1)</b>	466.0	0.0	<b>172.9</b>
Tenancy Support	3,197.5	657.1	(4,284.0)	<b>(429.4)</b>	228.6	0.0	<b>(200.8)</b>
Energy Team	367.2	340.0	(580.4)	<b>126.8</b>	25.2	0.0	<b>152.0</b>
	<b>17,100.9</b>	<b>6,853.4</b>	<b>(18,346.0)</b>	<b>5,608.3</b>	<b>2,605.9</b>	<b>105.9</b>	<b>8,320.1</b>
<b>Policy, Management, Commissioning and Support</b>	<b>9,315.6</b>	<b>4,305.3</b>	<b>(4,953.3)</b>	<b>8,667.6</b>	<b>(8,743.9)</b>	0.0	<b>(76.3)</b>
	<b>62,936.4</b>	<b>82,564.2</b>	<b>(61,538.6)</b>	<b>83,962.0</b>	<b>7,857.2</b>	<b>1,543.8</b>	<b>93,363.0</b>
Housing Benefit Payments		115,527.6	(115,000.0)	<b>527.6</b>	0.0	0.0	<b>527.6</b>
<b>TOTAL ADULTS AND HOUSING</b>	<b>62,936.4</b>	<b>198,091.8</b>	<b>(176,538.6)</b>	<b>84,489.6</b>	<b>7,857.2</b>	<b>1,543.8</b>	<b>93,890.6</b>
<b>2007/08</b>	<b>60,107.9</b>	<b>186,278.5</b>	<b>(172,253.3)</b>	<b>74,133.1</b>	<b>8,706.8</b>	<b>1,543.8</b>	<b>84,383.7</b>

The Corporate Director of Adults and Housing is responsible for controlling this budget

<b>Service Area</b>	<b>2008/2009 Budget £</b>
<b>OLDER PEOPLE SERVICES</b>	
Older People Care Services	15,533,500
Elderly Persons' Homes (In-house)	4,482,600
Older People Access, Social Work and Management	3,771,100
Advice Services	1,154,900
<b>Total Older People Services</b>	<b>24,942,100</b>
<b>COMMUNITY CARE SERVICES (ADULTS)</b>	
Mental Health	13,222,400
Learning Disabilities	14,580,600
Promoting Independence	8,010,800
Adults Access and Community Care Management	3,361,700
<b>Total Community Care Services (Adults)</b>	<b>39,175,500</b>
<b>SAFER AND STRONGER COMMUNITIES</b>	
Youth Offending Service	1,023,600
Drugs and Alcohol Abuse Team	0
Community Safety	645,700
Adult Learning	(496,800)
Community Services	4,039,400
Leicester Anti-Social Behaviour Unit	356,600
<b>Total Safer and Stronger Communities</b>	<b>5,568,500</b>
<b>Total Adult and Community Services</b>	<b>69,686,100</b>

<b>Service Area</b>	<b>2008/2009 Budget £</b>
<b>PRIVATE SECTOR HOUSING AND DEVELOPMENT</b>	
Area South	670,000
Area North	661,400
Other	(241,500)
<b>Total Private Sector Housing and Development</b>	<b>1,089,900</b>
<b>HOUSING BENEFIT AND LOCAL TAXATION ADMINISTRATION</b>	
Housing Benefits and Local Tax Administration	6,653,800
Housing Benefits and Local Tax Administration Grant	(3,311,800)
<b>Total Housing Benefit and Local Taxation Administration</b>	<b>3,342,000</b>
<b>MISCELLANEOUS SERVICE PROVISIONS</b>	
Mortgage Accounting	42,100
Contribution to HRA	302,800
Slum Clearance	(131,900)
Other	64,600
<b>Total Miscellaneous Service Provisions</b>	<b>277,600</b>
<b>HOUSING OPTIONS</b>	
Housing Options	1,494,500
<b>Total Housing Options</b>	<b>1,494,500</b>
<b>HOSTELS AND COMMUNITY CARE</b>	
Hostels	(656,200)
Voluntary Organisations	197,600
Community Care	165,500
<b>Total Hostels and Community Care</b>	<b>(293,100)</b>
<b>TENANCY SUPPORT</b>	
Tenancy Support	(429,400)
<b>Total Tenancy Support</b>	<b>(429,400)</b>

<b>Service Area</b>	<b>2008/2009 Budget £</b>
<b>ENERGY TEAM</b>	
Energy Team	126,800
<b>Total Energy Team</b>	<b>126,800</b>
<b>Total Housing Services</b>	<b>5,608,300</b>
<b>POLICY, MANAGEMENT, COMMISSIONING AND SUPPORT</b>	
<b>Adults</b>	
Information Systems	1,577,300
Staff Development	878,000
Finance	1,624,400
Planning Unit	618,700
Human Resources	(474,000)
Support Services	2,350,100
Service Contracting and Procurement Unit	736,000
Voluntary Sector	127,300
Supporting People	243,200
Controllable Central Recharges and Departmental Costs	616,200
Adults and Community Services Directorate	446,700
	8,743,900
<b>Housing</b>	
Finance and Administration	544,700
Policy and Research and Business Services	436,200
Marketing and Information	235,200
Financial Operations	243,900
Directorate and Others	650,600
Recharges	(2,186,900)
	(76,300)
<b>Total Policy, Management, Commissioning and Support</b>	<b>8,667,600</b>

Service Area	2008/2009 Budget £
<b>HOUSING BENEFIT PAYMENTS</b>  Housing Benefit Payments	527,600
<b>Total Housing Benefit Payments</b>	<b>527,600</b>
<b>TOTAL ADULTS AND HOUSING</b>	<b>84,489,600</b>

<b>RECHARGES TO ADULTS AND HOUSING</b>	<b>2008/2009 Budget £</b>
<b>Resources</b>	
ICT Services and Customer Access	2,928,700
Financial Services	465,400
Corporate Procurement and Business Services	165,800
Property Services	1,001,300
Human Resources and Equalities	1,614,700
Legal Services	67,600
Community Languages	21,300
Administrative Buildings	1,509,000
<b>Total Resources</b>	<b>7,773,800</b>
<b>Chief Executives</b>	353,400
<b>Regeneration and Culture</b>	
Housing Standards	450,000
<b>HRA (Recharge to Council Tax)</b>	140,000
<b>Total Adults and Housing Recharges "In"</b>	<b>8,717,200</b>
<b>Recharges from Adults and Housing</b>	
Recharges to HRA	(636,000)
Recharges to Maintenance Trading Account	(224,000)
<b>Total Adults and Housing Recharges "Out"</b>	<b>(860,000)</b>
<b>Net Recharges</b>	<b>7,857,200</b>

# Chief Executive's Office

## Chief Executive & Partnership Executive Team

The Chief Executive's office is responsible for co-ordinating and developing the strategic corporate policy of the Council. It is responsible for the sustainable Community Plan and the Performance Management Framework of the Council as well as partnership arrangements and the Leicester Partnership. In addition it is also responsible for the Council's corporate communications.

## The Department Budget

The 2008/2009 budget for the Chief Executive's Office is £1.750m.

<b>Analysis of 2008/2009 Budget</b>	<b>£000's</b>
2007/2008 Direct Budget	981.4
Inflation	23.2
In Year Virements	131.9
Other Changes	1,088.8
Service Enhancements	510.0
<b>Aggregate Controllable Budget</b>	<b>2,735.3</b>
Net Recharges *	(985.6)
<b>Total Department Budget</b>	<b>1,749.7</b>

\* Net Recharges are purely notional and have no impact upon the day-to-day control of the Department's budget.

## Chief Executive: Budget Summary 2008/2009

Service Area	Employee Costs £000's	Running Costs £000's	Income £000's	Total Controllable £000's	Net Recharges £000's	Capital Charges £000's	Total Budget £000's
Directorate	284.2	78.4	0.0	<b>362.6</b>	(362.6)	0.0	<b>0.0</b>
Partnership Executive Team	1,056.2	464.7	(512.0)	<b>1,008.9</b>	(737.0)	0.0	<b>271.9</b>
Communications Unit	441.1	459.9	(73.9)	<b>827.1</b>	(278.6)	0.0	<b>548.5</b>
Leicester Promotions	0.0	536.7	0.0	<b>536.7</b>	0.0	0.0	<b>536.7</b>
Corporate & Democratic Core & Non Distributed Costs	0.0	0.0	0.0	<b>0.0</b>	392.6	0.0	<b>392.6</b>
<b>TOTAL CHIEF EXECUTIVE</b>	<b>1,781.5</b>	<b>1,539.7</b>	<b>(585.9)</b>	<b>2,735.3</b>	<b>(985.6)</b>	<b>0.0</b>	<b>1,749.7</b>
<b>2007/08</b>	<b>1,221.6</b>	<b>174.8</b>	<b>(415.0)</b>	<b>981.4</b>	<b>(604.2)</b>	<b>0.0</b>	<b>377.2</b>

The Chief Executive is responsible for controlling this budget

Chief Executive's Office

<b>Recharges To Chief Executive</b>	<b>2008/2009 Budget £</b>
Chief Executive's	6,000
Corporate & Democratic Core & Non Distributed Costs	392,600
Information Services	50,400
Financial Services	25,700
Legal Services	5,400
Business Improvement	15,000
Administrative Buildings	86,600
<b>Total Recharges "In"</b>	<b>581,700</b>

<b>Recharges From Chief Executive</b>	<b>2008/2009 Budget £</b>
Chief Executive's Management Team	(392,600)
Leicester Partnership Executive Team	(841,000)
Communications Unit	(333,700)
<b>Total Recharges "Out"</b>	<b>(1,567,300)</b>
<b>Net Recharges</b>	<b>(985,600)</b>

# Children and Young People's Services Department

## Introduction

The Children & Young People's Services Department was established in April 2006 in response to the Every Child Matters Agenda. The department has a wide service remit, as shown below, and is currently engaged in several significant projects including Building Schools for the Future and Transforming Leicester's Learning; all of which contribute to the broader, on-going transformation process to improve outcomes for children and young people in the City.

The Department maintains a range of locally based services, including 106 Schools, Surestart Centres, Children's Centres, Children's residential homes and pupil referral units.

## Directorate

The Department's management team and associated support staff.

## Learning Services Division

This division has a wide remit including teaching, learning and performance in schools and early years settings, including performance monitoring and quality assurance.

## Access, Inclusion and Participation Division

Takes lead responsibility for prevention, early intervention and family outreach services alongside promoting inclusion and active involvement for all children and young people.

## Social Care and Safeguarding Division

Focuses upon the Department's response to safeguarding and the Council's wider response to parenting. The Division has a prime function of responding to those families with complex and acute needs that are associated with high levels of risk.

## Strategic Planning, Commissioning and Performance Division

Provides, or acts as client, for the support services for the Department focussing upon service planning, finance, performance management, human resources, health and safety, policy and communications, ICT and property matters.

## Delegated School Budgets & Dedicated Schools Grant (DSG)

The budget includes the Dedicated Schools Grant, which funds the Schools Block Budget, covering budgets delegated to schools and centrally retained items. DSG cannot be spent for any other purpose.

DSG and the Schools Budget have no net effect on the Council's budget and the Council tax. Any over or underspends in year, are carried forward to the subsequent year.

## PRC & Schools Block Contingency

These are ring fenced budgets to meet the costs of early retirements of school staff (PRC) and any increased demand on Schools Budget centrally retained items.

## The Department Net Budget

The 2008/2009 budget for the Children and Young People's Department is £71.137m.

Analysis of 2008/2009 Budget	£000's
2007/2008 Direct Budget	52,876.9
DSG Funded Services	182,570.0
Virement	1.8
Inflation & other adjustments	1,236.6
Full Year Effects	(596.0)
General Fund Growth	1,511.0
Increase of Mainstream Funding	1,806.0
Provisional Schools Block Growth	6,122.0
Efficiency, Restructuring, Income Generation and Other Reductions	(550.0)
<b>Sub- Total</b>	<b>244,978.3</b>
Provisional DSG Income	(188,692.0)
<b>Aggregate Controllable Budget</b>	<b>56,286.3</b>
Net Recharges*	6,731.7
Capital Financing Charges*	8,119.0
<b>Total Department Budget</b>	<b>71,137.0</b>

\* Net Recharges and Capital charges are purely notional and have no impact upon the day-to-day control of the Department's budget.

## Children & Young People's Services Department: Budget Summary 2008/09

Service Area	Employee Costs £000's	Running Costs £000's	Income £000's	Total Controllable £000's	Net Recharges £000's	Capital Charges £000's	Total Budget £000's
<b>Service Unit Budgets</b>							
Directorate	651.1	60.5	0.0	711.6	0.0	0.0	711.6
Access, Inclusion & Participation	15,782.9	14,956.6	(3,879.7)	26,859.8	0.0	0.0	26,859.8
Learning Services	3,494.2	1,803.2	(2,022.6)	3,274.8	0.0	0.0	3,274.8
Safeguarding & Family Support	18,117.6	15,867.3	(1,716.8)	32,268.1	0.0	0.0	32,268.1
Strategic Planning, Communication & Performance	7,770.6	8,463.4	(3,213.4)	13,020.6	6,731.7	8,119.0	27,871.3
PRC Contingency & Other Departmental Budgets	1,452.4	680.1	(726.6)	1,405.9	0.0	0.0	1,405.9
<b>TOTAL SERVICE UNITS</b>	<b>47,268.8</b>	<b>41,831.1</b>	<b>(11,559.1)</b>	<b>77,540.8</b>	<b>6,731.7</b>	<b>8,119.0</b>	<b>92,391.5</b>
<b>Delegated Schools Budgets</b>							
Primary Schools	82,444.9	22,586.0	(25,326.9)	79,704.0	0.0	0.0	79,704.0
Secondary Schools	76,646.5	23,193.4	(31,152.9)	68,687.0	0.0	0.0	68,687.0
Special Schools	11,521.4	3,049.4	(2,359.8)	12,211.0	0.0	0.0	12,211.0
<b>Delegated Schools Budgets</b>	<b>170,612.8</b>	<b>48,828.8</b>	<b>(58,839.6)</b>	<b>160,602.0</b>	<b>0.0</b>	<b>0.0</b>	<b>160,602.0</b>
<b>Other School Specific Budgets</b>	0.0	6,088.0	0.0	6,088.0	0.0	0.0	6,088.0
<b>LSC Income</b>	0.0	0.0	(4,771.5)	(4,771.5)	0.0	0.0	(4,771.5)
<b>Teachers Pay Grants</b>	5,519.0	0.0	0.0	5,519.0	0.0	0.0	5,519.0
<b>DSG Income</b>	0.0	0.0	(188,692.0)	(188,692.0)	0.0	0.0	(188,692.0)
<b>TOTAL SCHOOLS BUDGETS</b>	<b>176,131.8</b>	<b>54,916.8</b>	<b>(252,303.1)</b>	<b>(21,254.5)</b>	<b>0.0</b>	<b>0.0</b>	<b>(21,254.5)</b>
<b>TOTAL CHILDREN &amp; YOUNG PEOPLE'S SERVICES</b>	<b>223,400.6</b>	<b>96,747.9</b>	<b>(263,862.2)</b>	<b>56,286.3</b>	<b>6,731.7</b>	<b>8,119.0</b>	<b>71,137.0</b>
<b>2007-08</b>	<b>213,800.4</b>	<b>94,083.4</b>	<b>(255,006.9)</b>	<b>52,876.9</b>	<b>5,003.3</b>	<b>8,119.0</b>	<b>65,999.2</b>

Notes: Delegated Schools Budgets, managed by schools under the Local Management of of Schools provisions, Teachers Pay Grants, School Specific Budgets and Centrally Retained Items are now funded from the Dedicated Schools Grant.

The Delegated Schools Budget shown is an estimate and the actual breakdown will be established from School budget submissions and disclosed in the Section 52 Budget Statement.

**The Corporate Director for Children and Young People's Services is responsible for controlling this budget.**

<b>Service Area</b>	<b>2008/2009 Budget £</b>	<b>Provisional DSG Budget £</b>	<b>General Fund Budget £</b>
<b>DEPARTMENTAL BUDGETS</b>			
Directorate	711,600	224,200	487,400
<b>TOTAL DIRECTORATE</b>	<b>711,600</b>	<b>224,200</b>	<b>487,400</b>
<b>Access, Inclusion &amp; Participation</b>			
Education Psychology Service	1,276,200	-	1,276,200
Special Education Service	651,100	131,100	520,000
Independent Schools / Other Local Education Authorities	3,145,000	3,145,000	-
Statementing & Recoupment	2,131,000	2,131,000	-
Special Needs Teaching Service	3,824,000	3,824,000	-
Student Support Service	2,990,400	2,990,400	-
Education Welfare Service	1,018,600	-	1,018,600
Youth Service	3,148,600	-	3,148,600
Junior Youth Service	805,700	-	805,700
Early Years Service	4,901,900	-	4,901,900
Nursery Education Grants	2,967,300	2,967,300	-
<b>TOTAL ACCESS, INCLUSION &amp; PARTICIPATION SERVICES</b>	<b>26,859,800</b>	<b>15,188,800</b>	<b>11,671,000</b>
<b>LEARNING SERVICES</b>			
Standards & Effectiveness Service	1,894,600	-	1,894,600
Sports Development	54,000	-	54,000
Support for Schools in Difficulty	171,700	171,700	-
Support for Schools in Special Measures	112,000	112,000	-
Study Support	27,500	-	27,500
Early Years Development Childcare Partnership	284,800	-	284,800
SACRE	11,800	-	11,800
Arts Service	42,100	-	42,100
Forest Lodge Education Ctre & Science & Technology Shop	(100)	-	(100)
Standards Fund	265,200	215,200	50,000
Multicultural Service	322,400	-	322,400
Travellers Education	88,800	88,800	-
<b>TOTAL LEARNING SERVICES</b>	<b>3,274,800</b>	<b>587,700</b>	<b>2,687,100</b>

<b>Service Area</b>	<b>2008/2009 Budget £</b>	<b>Provisional DSG Budget £</b>	<b>General Fund Budget £</b>
<b>Safeguarding &amp; Family Support</b>			
Residential Homes	4,547,600	-	4,547,600
Residential Agency	3,376,200	-	3,376,200
Child Placements	6,669,900	-	6,669,900
Post 16 Services	156,600	-	156,600
Family Support	3,014,300	-	3,014,300
RALAC	187,000	187,000	-
Voluntary Sector	692,900	-	692,900
Resources Management	578,400	-	578,400
Leaving Care	877,000	-	877,000
Emergency Duty Team	420,500	-	420,500
Child Protection / Independent Review	1,216,800	-	1,216,800
Children & Family Access	2,195,800	-	2,195,800
Child Care Operations	4,983,600	-	4,983,600
Disabled Children's Services	255,600	-	255,600
Hospital Social Work	317,800	-	317,800
Persons From Abroad	341,300	-	341,300
Other Children's Services	1,231,800	-	1,231,800
Children's Services (ex LAA)	1,205,000		1,205,000
<b>TOTAL SAFEGUARDING &amp; FAMILY SUPPORT</b>	<b>32,268,100</b>	<b>187,000</b>	<b>32,081,100</b>
<b>Strategic Planning, Communication &amp; Performance</b>			
Client Service	350,600	48,300	302,300
Governor Support	77,000	-	77,000
School Crossing Patrols	155,300	-	155,300
Consumables Pool	193,500	41,200	152,300
Financial Services	854,000	440,000	414,000
Awards & Grants	371,100	-	371,100
Controllable Recharges including Insurance & Audit Fees	344,000	327,600	16,400
Performance & Change Management	238,400	-	238,400
Transforming Leicester's Learning	250,000	-	250,000
Match Funding & ex LAA	1,136,700	-	1,136,700
Summer Activities	150,000	-	150,000
County Commitments	1,012,100	-	1,012,100
CRB Checks & Employee Support	446,200	300,000	146,200
Social Priority, Trade Union Duties & Supply Cover	210,100	183,900	26,200
Information Management & E Services	518,500	151,100	367,400
IT Equipment & Development	155,100	-	155,100
EDISS	75,600	75,600	-

<b>Service Area</b>	<b>2008/2009 Budget £</b>	<b>Provisional DSG Budget £</b>	<b>General Fund Budget £</b>
Admissions & Appeals Service	552,600	477,200	75,400
Home to School Transport	4,301,500	-	4,301,500
School Milk Provision	122,800	122,800	-
Policy & Communications Unit	309,100	29,800	279,300
Children's Policy Unit	360,900	-	360,900
Planning & Property Service	555,500	-	555,500
Premises Maintenance & Security	280,000	-	280,000
<b>TOTAL STRATEGIC PLANNING, COMMUNICATION &amp; PERFORMANCE</b>	<b>13,020,600</b>	<b>2,197,500</b>	<b>10,823,100</b>
<b>PRC, Contingency &amp; Other Departmental Budgets</b>			
Premature Retirement Costs (PRC)	1,297,500	336,600	960,900
Secondary Review	337,100	-	337,100
Schools Block Contingency	580,100	580,100	-
Traded Services Income	(726,600)	-	(726,600)
Agency Saving	(82,200)	-	(82,200)
<b>TOTAL PRC &amp; OTHER DEPARTMENTAL BUDGETS</b>	<b>1,405,900</b>	<b>916,700</b>	<b>489,200</b>
<b>Schools Delegated Budgets &amp; School Specific Budgets</b>			
Delegated Schools Budget (note 1)			
Primary Schools	79,704,000	79,704,000	-
Secondary Schools	68,687,000	68,687,000	-
Special Schools	12,211,000	12,211,000	-
	160,602,000	160,602,000	-
Other School Specific Budgets	6,088,000	6,088,000	-
LSC Income	(4,771,500)	(4,771,500)	-
Teachers Pay Grants	5,519,000	5,519,000	-
<b>TOTAL SCHOOLS &amp; SCHOOL SPECIFIC BUDGETS</b>	<b>167,437,500</b>	<b>167,437,500</b>	<b>0</b>
<b>DSG Income</b>	<b>(188,692,000)</b>	<b>(188,692,000)</b>	<b>0</b>
<b>TOTAL CHILDREN &amp; YOUNG PEOPLE</b>	<b>56,286,300</b>	<b>(1,952,600)</b>	<b>58,238,900</b>

Note 1: Under the Local Management of Schools (LMS) Scheme, budgets are delegated to schools. The total of these budgets is known as the Individual Schools Budget. The amounts allocated to Schools are based upon a pupil number related formula. At the time of completing this budget book the precise allocations to schools are being completed, based upon pupil numbers at January 2008. The allocations to Schools will be disclosed in the Section 52 Budget Statement for 2008/09.

<b>Recharges to Children &amp; Young People's Services</b>	<b>2008/2009 Budget £</b>
Financial Services	582,200
Corporate Procurement & Business Services	91,400
Information Services	1,116,100
Legal Services	28,400
Business Improvement	1,544,300
Property Services	2,006,700
Democratic Services	8,200
Partnership & Chief Executive's Office	173,300
Administration Buildings	1,181,100
<b>Total Recharges "In"</b>	<b>6,731,700</b>
Recharges From CYPS	-
<b>Total Recharges "Out"</b>	<b>0</b>
<b>Net Recharges</b>	<b>6,731,700</b>

# Regeneration & Culture Department

## Introduction

Regeneration and Culture delivers a wide range of services to the people of Leicester and these services have an important role in achieving the 25 year vision to make Leicester Britain's most sustainable City. The department is structured as follows:

## Environmental Services

The Environmental Services Division provides a wide range of key front-line services to local citizens and businesses through its Environmental Health, Licensing, Trading Standards, Building Control, Waste Management, Street Cleaning and Parks & Green Space services. The principal objectives of the Division are protecting the health, safety and well being of local citizens and maintaining a clean and attractive local environment. This includes ensuring that the City's air is clean, food is safe to eat, noise is minimised, consumers are protected from unfair & illegal trading, buildings, workplaces, private sector rented homes, places of entertainment and taxis are safe and that parks and green spaces are adequately maintained. A waste collection and recycling service is provided to every household in the city and all streets and open spaces are kept clean and rubbish-free.

## Cultural Services

Cultural Services work in partnership with voluntary organisations, businesses and local communities to provide fun, exciting, challenging and inspirational activities through arts, festivals, museums, libraries and sport. Taking part in sport and culture can transform people's lives. Participation increases health and well being, creativity drives economic prosperity, and sport and culture bring communities together and help make Leicester a better place to live. Over the last couple of years Leicester City Council has worked with partners to invest millions of pounds in improving the quality of provision in the city, with award winning facilities like Braunstone Leisure Centre and BRITE and improvements to Newarke Houses and Saffron Lane Athletics Stadium. Over the next four years we aim to get more people taking part, continue to improve the quality of our services, host a dynamic Special Olympics in Leicester in 2009, and have a successful programme linked to the Olympic and Paralympic Games in 2012.

## Highways and Transportation

The Division provides civil engineering services, including construction and maintenance services to facilitate the implementation of the Authority's Capital and Revenue funded programmes in general and the Local Transport Plan. The Transport Vision for Central Leicestershire enables everyone to take

part in all aspects of everyday life, at a reasonable cost.

The division leads on the achievement of this vision by, amongst other things, the management of the transport network, advising on transport strategy and preparing the Local Transport Plan, and by commissioning new highways and traffic schemes. In addition, it manages the highway and watercourse infrastructure in the City. It also provides a corporate lead on Physical Regeneration & Renewal across the authority.

## Economic Regeneration, Planning and Policy

This Division is focussed primarily on facilitating new prosperity together with a well planned, environmentally sustainable and attractive city. Key planning, economic and environmental strategies such as the Local Development Framework, Climate Change Strategy, City Strategy and regeneration area plans help facilitate the delivery of these outcomes and attract private and public sector investment. Particular activity includes focusing housing growth to appropriate locations; encouraging quality new employment opportunities and training; supporting business; community regeneration; enabling well planned and designed developments, buildings and public spaces; and environment, heritage and climate change policy and action. The Division also has responsibility for Passenger Transport and Catering Services.

## The Department Budget

The 2008/2009 budget for the Regeneration & Culture Department is £69.595m.

Analysis of 2008/2009 Budget	£000's
2007/2008 Direct Budget	<b>60,030.1</b>
Virements	(117.3)
Other Growth	1,003.0
Inflation	823.8
Full Year Effect of previous year	(4,315.0)
Current year Growth items	4,683.0
Current year Reduction items	(3,651.0)
<b>Total Controllable Budget</b>	<b>58,456.6</b>
Net Recharges *	5,642.4
Capital Charges*	5,496.4
<b>Total Department Budget</b>	<b>69,595.4</b>

\* Net Recharges and Capital charges are purely notional and have no impact upon the day-to-day control of the Department's budget.

## Regeneration & Culture Department : Budget Summary 2008/2009

Service Area	Employee Costs £000's	Running Costs £000's	Income £000's	Total Controllable £000's	Net Recharges £000's	Capital Charges £000's	Total Budget £000's
Environmental Services	18,382.7	21,259.1	(14,805.9)	24,835.9	(722.3)	-	24,113.6
Cultural Services	12,333.5	13,335.9	(10,453.7)	15,215.7	0.0	-	15,215.7
Highways & Transportation	5,906.0	17,529.2	(10,071.8)	13,363.4	(18.5)	-	13,344.9
Economic Regeneration, Planning & Policy	4,546.2	2,395.3	(4,244.7)	2,696.8	(25.2)	-	2,671.6
Directorate & Resources	1,883.2	511.6	(50.0)	2,344.8	6,408.4	5,496.4	14,249.6
<b>TOTAL REGENERATION &amp; CULTURE</b>	<b>43,051.6</b>	<b>55,031.1</b>	<b>(39,626.1)</b>	<b>58,456.6</b>	<b>5,642.4</b>	<b>5,496.4</b>	<b>69,595.4</b>
<b>2007/08</b>	<b>41,588.1</b>	<b>57,013.0</b>	<b>(38,571.0)</b>	<b>60,030.1</b>	<b>5,528.3</b>	<b>5,496.4</b>	<b>71,054.8</b>

The Corporate Director of Regeneration & Culture is responsible for controlling this budget

Regeneration and Culture Department

	<b>2008/2009 Budget £</b>
<b>Environmental Services</b>	
Street Scene Enforcement	1,616,300
Business Regulation	1,613,100
Building Control	240,200
Licensing & Pollution Control	787,800
Waste Management	15,640,900
Parks & Greenspaces	4,937,600
<b>Total Environmental Services</b>	<b>24,835,900</b>
<b>Cultural Services</b>	
Arts and Museums	5,683,400
Libraries	4,395,700
Marketing and Communications	340,000
Sports	4,424,500
Divisional Management	372,100
<b>Total Cultural Services</b>	<b>15,215,700</b>
<b>Highways &amp; Transportation</b>	
City Development	1,439,500
Highways Management	1,283,400
Infrastructure Maintenance	5,421,500
Transport Development	4,899,400
Transport Strategy	731,100
Advertising income	(461,100)
Divisional Management	49,600
<b>Total Highways &amp; Transportation</b>	<b>13,363,400</b>
<b>Economic Regeneration, Planning &amp; Policy</b>	
Planning	1,786,300
Policy, Performance & Markets	(120,700)
Economic Regeneration	694,100
Environment	299,600
Divisional Management	37,500
<b>Total Economic Regeneration, Planning &amp; Policy</b>	<b>2,696,800</b>
<b>Directorate &amp; Resources</b>	
Directorate	569,400
Resources	848,000
Departmental	618,100
Cultural Quarter	309,300
<b>Total Directorate &amp; Resources</b>	<b>2,344,800</b>
<b>TOTAL REGENERATION &amp; CULTURE</b>	<b>58,456,600</b>

Regeneration and Culture Department

<b>Recharges To Regeneration &amp; Culture</b>	<b>2008/2009 Budget £</b>
Administrative Buildings	963,700
Legal Services	34,400
Information Services	1,935,300
Financial Services	522,300
Business Improvement	1,155,000
Corporate Procurement & Business Services	139,400
Corporate Property Services	2,093,400
Democratic Services	3,100
Chief Executives	170,700
<b>Total Recharges "In"</b>	<b>7,017,300</b>
<b>Recharges From Regeneration &amp; Culture</b>	
	<b>2008/2009 Budget £</b>
Private Sector Housing	(450,000)
Land Searches	(57,400)
Traded Services	(867,500)
<b>Total Recharges "Out"</b>	<b>(1,374,900)</b>
<b>Net Recharges</b>	<b>5,642,400</b>

# Resources Department

The Resources department manages key corporate resources and provides support services to other Council departments. The main services of the department are:

## Democratic Services

The division comprises a variety of services that include the core function of the Committee Secretariat which supports the democratic decision making process of the Council; the Community Languages Unit; Creativity Works; Electoral Services Section, which is responsible for the annual compilation of the Register of Electors and arranges all elections; Emergency Management who co-ordinate the planning necessary to enable the City Council to respond effectively to any major emergency which may occur within the city or to its citizens; the Registration Service; the Lord Mayor's Secretariat, and Members Services which provide support for all Elected Members.

## Financial Services

Corporate Financial Services provides support and advice to decentralised finance teams; provides support to the Council on corporate and strategic financial issues; and carries out certain financial functions on behalf of the Council as a whole. These corporately provided functions include the provision of insurance, treasury management, payments and income collection services; and an Internal Audit and Risk Management service.

## Business Improvement

Responsible for the co-ordination and leadership of the Council's strategic approach to the management of its workforce and its commitment to excellence in equalities and staff development.

## Information Services

Information Services comprises ICT Services and Customer Services. ICT Services is the Council's primary ICT provider supporting over 6,500 users across the Council. Customer Services manages the Customer Service Centres at New Walk Centre, New Parks, Braunstone and Saffron and the Council's telephone access arrangements. The division also develops and maintains the Council's website [www.leicester.gov.uk](http://www.leicester.gov.uk).

## Legal Services

Responsible for the management of all Legal Services, Customer Accounts and Debt Recovery and Information Governance, which are provided to the Council, its' Committees, the Cabinet and all Departments. The Service also includes the Local Land Charges Service, which is provided direct to the public. The Service Director is the Council's solicitor and has lead responsibility for Corporate Governance arrangements.

## Property Services

Responsible for the co-ordinating and leadership of the Council's strategic approach to the management of its property holdings. The service provides a wide range of property services, and manages the Central Maintenance Fund, which is an earmarked reserve holding funds for the maintenance of all buildings. Such work is planned on a programme basis rather than on an annual basis. The budget line 'Central Maintenance Fund' represents the annual contribution to this reserve.

## The Department's Budget

The 2008/2009 budget for the Resources Department is £4.957m

<b>Analysis of 2008/2009 Budget</b>	<b>£000's</b>
2007/2008 Direct Budget	27,044.3
In Year Virements	(1,120.7)
Inflation	359.6
Full Year Effects	(46.0)
Service Enhancements	2,232.4
Other Adjustments	(1,040.3)
Efficiency, restructuring and income generation	(928.0)
<b>Aggregate Controllable Budget</b>	<b>26,501.3</b>
Net Recharges *	(23,024.9)
Capital Financing Charges *	1,481.0
<b>Total Department Budget</b>	<b>4,957.4</b>

\* Net Recharges and Capital Charges are purely notional and have no impact upon the day-to-day control of the Department's budget.

## Resources Department : Budget Summary 2008/2009

Service Area	Employee Costs £000's	Running Costs £000's	Income £000's	Total Controllable £000's	Net Recharges £000's	Capital Charges £000's	Total Budget £000's
Management & Corporate	86.8	403.7	(20.0)	470.5	(1,042.3)	0.0	(571.8)
Information Services	6,061.0	2,878.3	(2,497.0)	6,442.3	(6,564.9)	0.0	(122.6)
Legal Services	287.0	38.9	(661.3)	(335.4)	21.6	0.0	(313.8)
Financial Services	4,122.6	265.2	(333.7)	4,054.1	(3,975.6)	0.0	78.5
Democratic Services	3,444.7	1,323.7	(848.4)	3,920.0	(1,726.4)	0.0	2,193.6
Business Improvement	5,097.3	485.5	(1,292.4)	4,290.4	(4,209.9)	0.0	80.5
Property Services	3,199.0	9,932.8	(10,724.5)	2,407.3	(6,116.3)	1,481.0	(2,228.0)
Central Maintenance Fund	0.0	5,523.9	0.0	5,523.9	(5,523.9)	0.0	0.0
Traders Budgeted Surplus	0.0	0.0	(271.8)	(271.8)	0.0	0.0	(271.8)
Corporate & Democratic Core & Non Distributed Costs	0.0	0.0	0.0	0.0	6,112.8	0.0	6,112.8
<b>TOTAL RESOURCES DEPARTMENT</b>	<b>22,298.4</b>	<b>20,852.0</b>	<b>(16,649.1)</b>	<b>26,501.3</b>	<b>(23,024.9)</b>	<b>1,481.0</b>	<b>4,957.4</b>
<b>2007/08</b>	<b>21,294.0</b>	<b>21,007.7</b>	<b>(15,257.4)</b>	<b>27,044.3</b>	<b>(22,847.3)</b>	<b>651.9</b>	<b>4,848.9</b>

The Corporate Director of Resources is responsible for controlling this budget

Resources Department

<b>Service Area</b>	<b>2008/2009 Budget £</b>
<b>Management &amp; Corporate</b>	
Management & Corporate	470,500
<b>Total Management &amp; Corporate</b>	<b>470,500</b>
<b>Information Services</b>	
Management	(1,712,500)
Strategy & Delivery	1,465,700
Business Services	570,000
Heads of ICT	326,700
Technology Services	4,504,700
Customer Service Centre	769,800
Contact Centre	517,900
<b>Total Information Services</b>	<b>6,442,300</b>
<b>Legal Services</b>	
Land Charges	(479,000)
Information Governance	30,700
Ombudsman Link	112,900
<b>Total Legal Services</b>	<b>(335,400)</b>
<b>Financial Services</b>	
<u>Corporate Procurement &amp; Business Services</u>	
Management & Support	143,400
Corporate Procurement	293,300
Corporate Support	260,600
Corporate Premises Team	780,700
<u>Accountancy</u>	
Systems Control and Support	203,100
Accountancy	404,200
Support and Development of FMIS	267,000
Financial Strategy and Development	273,800
Management of Loans and Investments	228,400
Management and Support	445,100
Insurance and Risk Management Services	26,700
Internal Audit and Investigations	727,800
<b>Total Financial Services</b>	<b>4,054,100</b>

## Resources Department

<b>Service Area</b>	<b>2008/2009 Budget £</b>
<b>Democratic Services</b>	
Management and Support	39,100
Emergency Management	197,800
Births, Deaths and Marriages	241,900
Coroner's Services	561,100
Community Languages	1,300
City Council Elections	12,400
Committee Secretariat	412,100
Area Committees	220,000
Members Services and Allowances	1,647,700
Electoral Registration	352,600
Lord Mayor's Office	234,000
<b>Total Democratic Services</b>	<b>3,920,000</b>
<b>Business Improvement</b>	
Management	(72,600)
Pay & Workforce Strategy	1,101,600
Development & Learning	918,100
Employment Service Centre	807,000
Strategic Service Partner-Resources & R&C	460,000
Strategic Service Partner-CYPS	738,000
Strategic Service Partner-Adults & Housing	224,800
Business Improvement Programme	113,500
<b>Total Business Improvement</b>	<b>4,290,400</b>
<b>Property Support Services</b>	
Management & Customer Information	393,800
Projects (Non Traders)	332,400
<b>Sub-Total Property Support Services</b>	<b>726,200</b>

<b>Service Area</b>	<b>2008/2009 Budget £</b>
<b>Operational Property</b>	
Asset Strategy & Development	360,200
Centrally Located Admin Buildings	3,827,400
Management of Operational Property	304,600
Sub-Total Operational Property	4,492,200
<b>Non Operational Property</b>	
Assistance to Industry	(68,600)
Business Support	61,400
Factories	(2,254,500)
General	(356,200)
Land	(706,000)
Land In Advance	17,100
Miscellaneous	(179,900)
Other Planning	(213,800)
Offices	(844,400)
Shops	(812,100)
Management of Non Operational Property	2,545,900
Sub-Total Non-Operational Property Services	(2,811,100)
<b>Total Property Services</b>	<b>2,407,300</b>
<b>Central Maintenance Fund</b>	<b>5,523,900</b>
<b>Traders Budgeted Surplus</b>	
Financial Services	(26,100)
Business Improvement	(8,700)
Democratic Services	(46,000)
Legal Services	(66,000)
Property Services	(125,000)
<b>Total Traders Budgeted Surplus</b>	<b>(271,800)</b>
<b>TOTAL RESOURCES DEPARTMENT</b>	<b>26,501,300</b>

Resources Department

<b>Recharges To Resources</b>	<b>2008/2009 Budget £</b>
Management & Corporate	305,600
Information Services	2,079,600
Resources Trading Services	30,000
Financial Services	2,505,900
Democratic Services	1,200
Legal Services	15,300
Business Improvement	374,500
Property Services	1,072,700
Administrative Buildings	1,988,500
Chief Executive's	92,700
Regeneration & Culture	57,400
Corporate Democratic Core & Non Distributed Costs	6,112,800
<b>Total Recharges "In"</b>	<b>14,636,200</b>

<b>Recharges From Resources</b>	<b>2008/2009 Budget £</b>
Management & Corporate	(1,095,800)
Information Services	(8,248,700)
Financial Services	(6,040,800)
Democratic Services	(2,750,600)
Legal Services	(154,000)
Business Improvement	(4,883,800)
Property Services	(7,328,800)
Administrative Buildings	(7,158,600)
<b>Total Recharges "Out"</b>	<b>(37,661,100)</b>
<b>Net Recharges</b>	<b>(23,024,900)</b>

# Corporate Budgets

## Introduction

The Council's budget contains a number of items, which are not within the controllable budgets of any Corporate Director.

These items are included in Corporate Budgets and include the following:

## Levies

Payments made to other public authorities whose costs are "levied" on the budget of the City Council. The only remaining levying body is the Environment Agency, which relates to flood defence measures.

## District Audit and Inspectorate Fees

The cost of the Council's annual audit and inspections.

## Bank Charges

All service fees & charges from the Authority's banks are allocated to corporate budgets.

## Former Employee Costs

The costs of contributing to the pensions of former employees in respect of the Local Government Reorganisation in 1997 and functions no longer carried out by the Council.

## Net Recharges

The general fund receives income from the Council's housing revenue account and trading services for the costs of support services supplied to these areas of activity.

## Other Budgets

Occasionally extra funds are available for specific projects, which are not included in service budgets. For 2008/09, £5m has been set aside for costs associated with the Building Schools for the Future (BSF) project. A further £0.2m has been allocated to deal with Crime and Disorder; and an additional £4.3m for the job evaluation scheme.

## Corporate Budgets : Budget Summary 2008/2009

Service Area	Employee Costs £000's	Running Costs £000's	Income £000's	Total Controllable £000's	Net Recharges £000's	Capital Charges £000's	Total Budget £000's
Miscellaneous	5,501.7	9,472.4	0.0	14,974.1	0.0	0.0	14,974.1
Levies	0.0	82.3	0.0	82.3	0.0	0.0	82.3
Capital Charges	0.0	0.0	0.0	0.0	0.0	(16,640.2)	(16,640.2)
Capital Financing	0.0	0.0	0.0	0.0	0.0	19,806.0	19,806.0
Net Recharges	0.0	0.0	0.0	0.0	1,454.6	0.0	1,454.6
<b>TOTAL CORPORATE BUDGETS</b>	<b>5,501.7</b>	<b>9,554.7</b>	<b>0.0</b>	<b>15,056.4</b>	<b>1,454.6</b>	<b>3,165.8</b>	<b>19,676.8</b>
<b>2007/08</b>	<b>3,324.3</b>	<b>5,434.4</b>	<b>0.0</b>	<b>8,758.7</b>	<b>1,188.5</b>	<b>3,455.0</b>	<b>13,402.2</b>

There is no one Director responsible for Corporate Budgets

Corporate Budgets

<b>Service Area</b>	<b>2008/2009 Budget £</b>
<b>Miscellaneous</b>	
District Audit & Inspectorate Fees	514,600
Bank Charges	196,000
Former Employee Pensions	325,700
Charitable Rate Relief	230,000
Building Schools for the Future	4,981,000
Job Evaluation	4,270,000
Crime and Disorder	170,000
Employer Pension Contributions	900,000
Energy Costs	1,000,000
Service Transformation Programme	2,000,000
Customer Transformation Fund	800,000
Other Miscellaneous	(413,200)
<b>Total Miscellaneous</b>	<b>14,974,100</b>
<b>Levies</b>	
Flood Defence	82,300
<b>Total Levies</b>	<b>82,300</b>
<b>TOTAL CORPORATE BUDGETS</b>	<b>15,056,400</b>

# The Housing Revenue Account

## Introduction

Under Section 74 of the 1989 Local Government & Housing Act, the Council has to account separately for transactions relating to the provision, maintenance and sale of Council houses and flats.

This Housing Revenue Account (HRA) has to be self-financing and there is a legal prohibition on cross-subsidy to or from Council Tax payers.

The Adults and Housing Department is responsible for all housing services, whether funded from the HRA or the General Fund. HRA expenditure is mainly on the management of Council housing, repairs and maintenance, and capital financing.

This expenditure is paid for by rents, charges for services and facilities, investment income, and housing subsidy from the Government.

## The Budget

Gross expenditure on the HRA has increased from £78.612m in 2007/2008 to £81.837m in 2008/2009. This is explained as follows: -

	£m
Allowances for pay and price inflation (net of efficiency savings)	0.829
Allowances for new services – Choice Based Lettings and Energy Performance Certificates	0.295
Worsening in negative subsidy	2.002
Decrease in capital financed from revenue account	(0.200)
Increase in capital repairs funded by Major Repairs Allowance (MRA)	0.299
<b>Increase in expenditure</b>	<b>3.225</b>

Income on the HRA has increased from £79.122m in 2007/2008 to £81.642m in 2008/2009, due to: -

	£m
Additional dwelling rental income from average rent increase of 5.2% for 2008/09, offset by effect of “Right To Buy” sales and other stock reductions	2.057
Increase in MRA element of subsidy	0.299
Other changes (net)	0.164
<b>Increase in income</b>	<b>2.520</b>

Overall, the 2008/2009 HRA is showing a deficit of £0.195m, which will be debited to the working balance, leaving an estimated closing balance of £4.378m at 31 March 2009.

## The Housing Stock

The authority was responsible for 22,408 dwellings at 1st April 2008 of which 14,058 were houses and 8,350 were flats. This was a reduction of 256 compared to the previous year, as follows.

2006/07		2007/08
0	New Constructions	0
0	Acquisitions	0
(293)	RTB Sales	(225)
(32)	Demolition	(2)
(10)	Other sales etc	(29)
<b>(335)</b>	<b>NET DECREASE</b>	<b>(256)</b>

## Housing Revenue Account

	<b>2008/2009 Budget £000's</b>
<b>Income</b>	
Rent - Dwellings	62,868
Other Income	5,607
Subsidy - Major Repairs Allowance (MRA)	13,167
<b>Total Income</b>	<b>81,642</b>
<b>Expenditure</b>	
Landlord Services	17,839
Repairs & Maintenance	25,095
Capital Repairs - MRA	13,167
Capital Financing Costs	12,286
Capital Financing from Revenue	0
Negative Subsidy	13,450
<b>Total Expenditure</b>	<b>81,837</b>
<b>(Surplus) / Deficit for Year</b>	<b>195</b>
Working Balances B/Fwd	(4,573)
<b>WORKING BALANCES C/FWD</b>	<b>(4,378)</b>

The Corporate Director of Adults and Housing is responsible for controlling this budget

# Trading Services

## Introduction

This section of the budget book provides details of the 'Trading Services' operated by the Council, and includes support services operated by the Resources department.

Service departments hold the majority of the budgets for these activities and therefore they are able to influence the services they receive.

The whole of the budget for Housing Maintenance represents charges to the Housing Revenue Account.

The estimated costs of providing these services are shown on the following page.

Trading Services

<b>Trading Services</b>	<b>2008/2009 Expenditure £</b>
<b>Resources</b>	
ICT Services	361,400
Legal Services	3,619,700
Job Shop	140,600
Postroom	610,800
Temporary Staffing Agency	3,344,500
Payroll	919,800
Customer Accounts	1,088,700
Cashiers	610,000
Creativity Works	1,357,000
Property Services-Projects	4,945,200
<b>Regeneration &amp; Culture</b>	
City Catering	7,376,000
*City Highways	8,488,000
Operational Transport	4,877,000
*City Transport Fleet	7,240,000

\* services budgeted to achieve a surplus

**The above budgets represent charges made  
"above the line" in Service Department budgets.**

<b>Trading Services</b>	<b>2008/2009 Expenditure £</b>
<b>Housing Department</b>	
Housing Maintenance	25,095,000

**The above budget represents the total operational expenditure  
for Housing Maintenance.**

## Area Based Grant

From April 1 2006, the Council has been a partner to and the Accountable Body for the Local Area Agreement (LAA). This is a formal agreement between many partner organisations to work together towards achieving a wide range of objectives. These objectives are grouped into 4 themes: Children and young people; safer and stronger communities; healthier communities and older people; economic development and enterprise. The delivery of the planned outcomes within each of these themes is overseen by the Leicester Partnership.

There are an increasing number of funding streams that are pooled within the LAA. This approach, which began in 2006/07, channels certain grant regimes through the Local Area agreement rather than passing them directly to a specific partner organisation. The number of grants distributed in this way has increased from £4.2m in 2006/07 to £11.3m in 2007/08 (plus the Neighbourhood renewal fund (NRF) £7.7m and the Disadvantaged Area Fund (DAF) £1.1m, giving a total of £20.1m) and for 2008/09 the figure has risen to £26.4m. The specific allocation of NRF has been discontinued, but the 2008/09 figure includes an allocation for a Working Neighbourhoods Fund (WNF) which could be used to fund the continuation of former NRF initiatives where these meet the objectives of the WNF.

All of the funding streams are amalgamated and distributed as a single Area Based Grant (ABG) by the Government and none of the funding streams are ringfenced for specific purposes. The broad allocation of the funds is made on the recommendation of the Leicester Partnership, which assesses the funding required by each of the 4 themes (see above) in order to deliver the outcomes set out in the Local Area Agreement.

The provisional allocation of funds to the various themes is shown in the table overleaf. However the cost of appropriate governance arrangements will also be funded from this grant, and once agreed, the allocation to the various themes will be adjusted accordingly.

The Government has also issued the ABG allocation figures for the next 2 years, and these show that the funds distributed through the ABG mechanism will rise to £43m in 2009/10 and fall back slightly to £41.3m in 2010/11. It is possible, however, that new funding streams may be added to these figures.

**AREA BASED GRANT & THE LOCAL AREA AGREEMENT**  
**Funding streams identified for central pooling under the LAA**

<b>1. CHILDREN and YOUNG PEOPLE BLOCK</b>	<b>2007/08 LAA £000's</b>	<b>2008/09 ABG Provisional Allocation £000's</b>
14 - 19 flexible funding pot	-	84.8
Care matters	-	285.0
Childrens' Fund	-	1,300.8
Child death review processes	-	60.3
Choice advisors	-	49.3
Extended rights to free transport	-	23.4
School improvement partners	-	119.3
School intervention grant	-	76.6
Sustainable travel	-	22.3
Youth task force	-	25.0
Childrens' Social Care workforce	-	152.3
Children's Services Grant	1,586.7	-
Education Health partnerships	88.3	88.3
Extended Schools start up	442.1	583.4
Secondary national strategy - behaviour and attendance	68.3	68.3
Secondary national strategy - strategy	203.9	204.1
Positive Activities for Young People	380.5	380.5
Connexions	4,361.0	4,361.0
Primary National Strategy Coordination	235.2	225.7
Teenage Pregnancy	160.0	160.0
School Travel Advisors	34.0	34.0
Young People Substance Misuse	-	144.7
Carers	-	300.0
CAHMS	-	777.4
School Development Grant	1,980.8	1,980.8
	<b>9,540.8</b>	<b>11,507.4</b>
<b>2. SAFER and STRONGER COMMUNITIES BLOCK</b>	<b>2007/08 £000's</b>	<b>2008/09 £000's</b>
Stronger, safer communities fund	-	803.1
Road safety grant	-	372.8
Anti-Social behaviour; building safer communities; drugs strategy;		
Neighbourhood element	1,103.2	-
Waste performance efficiency grant	642.4	-
Respect	25.0	-
	<b>1,770.6</b>	<b>1,175.9</b>
<b>3. HEALTHIER COMMUNITIES, OLDER PEOPLE HEALTH &amp; WELLBEING</b>	<b>2007/08 £000's</b>	<b>2008/09 £000's</b>
Adult Social Care workforce	-	841.9
Carers	-	1,200.4
Supporting people administration	-	184.4
Learning disability development fund	-	317.8
Local involvement networks	-	185.6
Mental Capacity Act	-	156.2
Mental Health	-	1,013.7
Preserved rights	-	2,166.4
	<b>0.0</b>	<b>6,066.4</b>
<b>4. ECONOMIC &amp; ENVIRONMENTAL (2007/08: NRF)</b>	<b>2007/08 £000's</b>	<b>2008/09 £000's</b>
Working Neighbourhoods Fund (2007/08: NRF)	7,727.8	7,502.8
	<b>7,727.8</b>	<b>7,502.8</b>
<b>SUMMARY : TOTAL LAA FUNDING</b>	<b>2007/08 £000's</b>	<b>2008/09 £000's</b>
Children and Young People Block	9,540.8	11,507.4
Safer and Stronger Communities Block	1,770.6	1,175.9
Healthier Communities and Older People	-	6,066.4
Cross Cutting Block	-	205.0
Economic & Environmental (2007/08: NRF)	7,727.8	7,502.8
Disadvantaged Area Fund	1,083.2	-
<b>TOTAL</b>	<b>20,122.4</b>	<b>26,457.5</b>

Note: These are provisional allocations which will be adjusted to reflect funding towards appropriate governance arrangement.

## Glossary

This Glossary explains terms that may be encountered in discussion of Local Government finance. Definitions are intended to assist a general audience, rather than reflecting exactly the technical sense in which the terms are used.

### **Actuals**

Short for actual expenditure, and also known as the 'Outturn'. The amount actually spent within a particular budget in a given year, as compared to the estimated expenditure. Any difference between estimate and actual is referred to as an over- or under-spend, or a variance.

### **Aggregate External Finance (AEF)**

The total that the Government contributes towards general local government finance, made up of *RSG* and the amount distributed from the *NNDR* pool.

### **Aggregate Schools Budget (ASB)**

This is the amount of money delegated to the schools by the Local Education Authority, through the application of the authority's Local Management of Schools formula.

### **Area based Grant**

This is a non-ringfenced general grant from the Government. It is an amalgamation of a number of other funding streams pooled into a single Area Based Grant. The allocation of this grant is made in consultation with the Leicester Partnership in order to deliver the outcomes set out in the Local Area Agreement.

### **Base Budget**

The starting point for the budget process, the base budget is broadly the budget that would be required to continue to provide services at the current agreed level: in other words, the current budget plus changes already agreed and any increase for inflation.

### **Best Value (BV)**

Is a government initiative in local government, aimed at improving the quality of public services.

### **Best Value Accounting Code of Practice (BVACOP)**

The authority's financial statements are produced in accordance with the BVACOP. This has modernised the system of local authority accounting in order to secure and demonstrate BV in the provision of services.

### **Capital Expenditure**

This represents all expenditure on the acquisition, construction or enhancement of items (such as buildings, roads, major equipment etc) that have a life of more than one year.

### **Capital Charges**

Charges to service revenue accounts to reflect the cost of fixed assets used in the provision of services.

### **Capital Receipts**

Money the Council receives from selling assets (buildings, land etc.). Capital receipts from sale of housing assets cannot be used entirely to fund new capital expenditure; a proportion is retained nationally.

### **Cash limited budget**

Budgets that are prepared with a strict upper limit to the amount of money that may be spent. Within the overall cash limit, it is possible for Departments to have considerable freedom in spending the money. (*see also Devolved Budget Management*)

### **Collection Fund**

An account kept by the Council into which *Council Tax* and outstanding Community Charge (Poll Tax) are paid, and through which *NNDR* payments pass, and which pays out money to fund expenditure from the *General Fund*, and the *precept* made by the Police and Fire Authorities.

### **Council Tax**

This is a tax, which is levied on the broad capital value of domestic properties, and

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charged to the resident or owner of the property.

### **Cost Centre**

A specific function or service area for which a budget is prepared, and costs identified within the Council's accounts. Generally, the expenses of a cost centre will be under the control of a single manager.

### **Dedicated Schools Grant (DSG)**

Ring-fenced government grant funding for schools.

### **Departmental Revenue Strategy (DRS)**

For each department, the DRS details specific budget proposals to balance department budgets to agreed planning targets over a 3-year period.

### **Devolved Budget Management**

The system described in the Council's *Finance Procedure Rules*, allowing greater flexibility in managing *direct expenditure*, subject to an overall cash limit.

### **Direct expenditure**

Spending on items which are under direct control of the budget holder, such as employee costs or running expenses, as opposed to indirect costs such as *capital charges* or recharges from other departments, over which they may have less direct control.

### **Financial Management Information**

#### **System (FMIS)**

The Council's computerised financial information system.

### **Finance Procedure Rules**

These provide the framework within which the City Council conducts its financial affairs. Finance Procedure Rules are supplemented by Codes of Practice giving detailed guidance for financial practice in the Authority.

### **General Fund**

The Council's main revenue account, covering the net cost of all services other than Council housing.

### **Housing Revenue Account (HRA)**

The Council has to maintain separate accounts for its landlord function - the letting and management of its housing stock. The HRA is *ring-fenced*: no cross subsidy is allowed between the HRA and the *General Fund*, out of which the Council pays for the remainder of its services.

### **Joint Finance**

The provision of certain social services under the National Health Service Act 1977 where the Health Service has an interest, and both the NHS and the local authority share the cost.

### **Levy**

A charge made by an outside organisation, which has to be met from within the Council's overall budget.

### **Local Area Agreement**

This is a formal agreement between many partner organisations to work together towards achieving a wide range of objectives.

### **Major Repairs Allowance (MRA)**

The MRA is an element of housing subsidy, and represents the capital cost of keeping the HRA dwellings stock in its current condition. It largely replaces credit approvals as a means of financing HRA capital expenditure.

### **Minimum Revenue Provision (MRP)**

The minimum amount that the Council must include in its revenue accounts, to repay the principal element of its borrowing for capital purposes.

### **National Non-Domestic Rate (NNDR)**

Represents the rate of taxation on business properties. Central Government have the responsibility for setting the rate and Local Authorities are responsible for the billing and collection of the tax.

### **Net Recharges**

This is the net effect of charging for, and receiving charges from, other support services within the authority.

**Office for Standards in Education (OFSTED)**

OFSTED is the government department responsible for the inspection of schools and Local Education Authorities in England.

**Precept**

An amount charged by another authority to the Council's *Collection Fund*. The Police Authority and the combined Fire Authority are the preceptors on Leicester's collection fund.

**Private Finance Initiative (PFI)**

This initiative is an attempt by Government to make it easier for public bodies to enter into partnership with private companies, in order to raise finance for capital projects. For local authorities, PFI schemes offer some relaxation of the *capital expenditure* controls.

**Provision**

An amount of money set aside in the budget to meet liabilities that are likely or certain to arise in the future, but which cannot be quantified with certainty.

**Prudential Framework**

The new framework for the control of capital expenditure, introduced with effect from 1<sup>st</sup> April 2004, through the Local Government Act 2003.

**Public Works Loan Board (PWLB)**

A government agency providing long and short-term loans to local authorities. Interest rates are generally lower than the private sector, and slightly higher than the rates at which the Government itself may borrow.

**Reserves**

The amount of money still held at the end of a year, after allowing for all of the expenditure and income that has taken place. Earmarked reserves are those established for a specific purpose.

**Revenue**

Represents expenditure on day-to-day running expenses, e.g. salaries, fuel etc.

**Revenue Contribution to Capital Outlay (RCCO)**

RCCO is a contribution to the cost of *capital* expenditure from the *revenue* budget.

**Revenue Support Grant (RSG)**

This is one of main Government grants received to pay for expenditure from the *General Fund*. It is based on a complex set of formulae which measures each authority's need to spend relative to each other.

**Ring-fencing**

Reserving a budget for a particular purpose or ensuring that there are no transfers between one budget and another. The *Housing Revenue Account* is a ring-fenced account: the Council is not allowed to cross-subsidise the HRA and the *General Fund*.

**Section 52 Statement**

This is the annual statement showing the budgeted expenditure for the Local Education Authority.

**Single Capital Pot (SCP)**

The allocation of resources which determines the Authority's support of borrowing. It is based on assessment of need across service areas.

**Specific grants**

Grants paid to the Council for a specific purpose, including housing benefit, housing improvement, etc.

**Supported Capital Expenditure (Earmarked)**

This is the amount of capital expenditure for which the government will provide revenue support through the FSS, for the

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costs of borrowing to finance specific schemes identified only.

### **Supported Capital Expenditure (Unearmarked)**

This is the amount of capital expenditure for which the government will provide revenue support through the FSS, for the costs of borrowing to finance the expenditure. This provision is provided through the single capital pot and can be used to finance any capital expenditure.

### **Sure Start**

This is an initiative for improving services for young children-in-need and their families by bringing together childcare, health services and social services.

### **Trading services**

These are services operated by the Council which largely trade with other departments of the authority, and with external clients (in accordance with the Local Authority (Goods & Services) Act 1970).

### **Unsupported Capital Expenditure**

Any borrowing over and above that supported and funded by the government. This is funded directly by the authority.

### **Virement**

A virement is a transfer of resources from one budget to another, or from one budget head to another. In Leicester, the rules covering virement are contained in *Finance Procedure Rules*.